

January 21, 2021



# Nabis Holdings Inc. Provides Important Update on Implementation of Proposal

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## *IMPORTANT INSTRUCTIONS TO RECEIVE SECURITIES UNDER THE PROPOSAL*

VANCOUVER, British Columbia, Jan. 21, 2021 (GLOBE NEWSWIRE) -- Nabis Holdings Inc. (CSE: NAB) (OTC: NABIF) (FRA: A2PL) ("**Nabis**" or the "**Company**") is providing an important update to the Company's previously announced proposal (as amended from time to time, the "**Proposal**") under the *Bankruptcy and Insolvency Act* (Canada), pursuant to which the Company will implement a recapitalization of the Company's outstanding CDN\$35 million principal amount of 8.0% unsecured convertible debentures (the "**Debentures**") and all other debts of the Company (the "**Recapitalization**"). Further to the Company's news release dated January 4, 2021, the Company intends on implementing the Proposal on or prior to January 29, 2021 (the "**Implementation Date**").

The Company and the Consenting Debentureholders (as defined in the Proposal) have set March 1, 2021 as the deadline (the "**Certification Deadline**") for all holders of Debentures ("**Debentureholders**") and all other creditors to receive consideration under the Proposal (other than Convenience Creditors (as defined in the Proposal)) (collectively with the Debentureholders, the "**Debtholders**") to certify as to their eligibility to receive their pro rata share of (a) 3,700,000 new common shares of the Company ("**New Common Shares**") and (b) new 5.3% senior unsecured notes in the aggregate amount of CDN\$23 million due 2023 ("**New Unsecured Notes**"). Debtholders who fail to certify as to their eligibility to receive the New Common Shares and New Unsecured Notes by the Certification Deadline will receive the net cash proceeds, if any ("**Net Cash Proceeds**"), realized from the sale of their pro rata share of New Common Shares and New Unsecured Notes on the Canadian Securities Exchange or such other exchange on which the New Common Shares and New Unsecured Notes are listed and posted for trading, conducted by a selling agent (the "**Selling Agent**") to be appointed by the Company.

Debtholders are entitled to the compensation set out below, provided they take the actions set out in this news release and in the documentation that will be delivered to such Debtholders:

<b>Debtholder Status</b>	<b>Entitlement</b>
(A) Debtholder who is a non-resident of the United States (a " <b>Non-U.S. Debtholder</b> ")	Pro rata share of New Unsecured Notes and New Common Shares

(B) U.S.-resident Debtholder who is an “accredited investor” as defined in Rule 501(a) of Regulation D under the United States <i>Securities Act of 1933</i> , as amended (the “ <b>U.S. Securities Act</b> ”) (a “ <b>U.S. Accredited Investor</b> ”)	Pro rata share of New Unsecured Notes and New Common Shares bearing a restricted legend to the effect that the such securities have not been and will not be registered under the U.S. Securities Act and is subject to certain resale restrictions under the U.S. Securities Act (collectively, “ <b>U.S. Restricted Securities</b> ”)
(C) U.S.-resident Debtholder who is <u>not</u> an “accredited investor” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act (a “ <b>U.S. Non-Accredited Investor</b> ”)	Net Cash Proceeds, if any

**IN ORDER TO RECEIVE SECURITIES PURSUANT TO THE PROPOSAL, ALL DEBTHOLDERS MUST SUBMIT THE DOCUMENTATION DESCRIBED BELOW PRIOR TO THE CERTIFICATION DEADLINE. DEBTHOLDERS WHO DO NOT RESPOND BY THE CERTIFICATION DEADLINE WILL BE DEEMED TO BE U.S. NON-ACCREDITED INVESTORS. IN SUCH CASES, THE SELLING AGENT WILL ARRANGE FOR THE SALE OF NEW UNSECURED NOTES AND NEW COMMON SHARES TO WHICH SUCH DEBTHOLDER WOULD OTHERWISE BE ENTITLED AT PREVAILING MARKET PRICES. THERE CAN BE NO ASSURANCES AS TO THE PROCEEDS TO BE RECEIVED BY THE SELLING AGENT, IF ANY, OR TO THE NET CASH PROCEEDS TO BE RECEIVED BY THE DEBTHOLDER. THE NET CASH PROCEEDS MAY BE SUBSTANTIALLY LESS THAN THE FACE VALUE OF THE NEW UNSECURED NOTES AND THE MARKET VALUE OF THE NEW COMMON SHARES ON THE IMPLEMENTATION DATE.**

Further details regarding the material terms of the Proposal are set out in the Company’s news releases dated November 23, 2020, December 10, 2020 and January 4, 2021. KSV Restructuring Inc. is acting as the proposal trustee in respect of the Proposal (in such capacity, the “**Proposal Trustee**”). A copy of the Proposal is available on the Proposal Trustee’s website: [www.ksvadvisory.com/insolvency-cases/case/nabis-holdings](http://www.ksvadvisory.com/insolvency-cases/case/nabis-holdings) (the “**Proposal Trustee’s Website**”)

### **Important Instructions for Registered Debentureholders**

Registered Debentureholders (“**Registered Debentureholders**”) will receive a letter of transmittal (the “**Letter of Transmittal**”) from Odyssey Trust Company, the registrar and transfer agent for the Company (“**Odyssey**”), pursuant to which such holders will be required to, among other things, certify as to their status as either a (i) Non-U.S. Debtholder; (ii) U.S. Accredited Investor; or (iii) U.S. Non-Accredited Investor. A copy of the Letter of Transmittal will be available on the Company’s profile on SEDAR.

**Any Registered Debentureholder who does not submit their completed Letter of Transmittal along with certificate(s) representing their Debentures to the Depository (as defined in the Letter of Transmittal) prior to the Certification Deadline, will be deemed to be a U.S. Non-Accredited Investor and, accordingly, will receive Net Cash Proceeds only, if any.**

### **Important Instructions for Non-Registered Debentureholders**

Non-registered Debentureholders (“**Beneficial Debentureholders**”) who are Non-U.S. Debtholders and who hold their Debentures through a broker, bank or other intermediary

(each, an "**Intermediary**"), will be required to make an election through CDS Clearing and Depository Services Inc. ("**CDS**") certifying as to their status as a Non-U.S. Debtholder in order to receive their pro rata shares of the New Common Shares and New Unsecured Notes. In order to make such election, Beneficial Debentureholders must instruct their Intermediaries prior to the Certification Deadline, which Intermediaries will then make a corresponding election through the CDS system.

Beneficial Debentureholders who are U.S. Accredited Investors must direct their Intermediary to withdraw their Debentures from the CDS system and directly register such securities with Odyssey in their own name. On doing so, such U.S. Accredited Investors will receive a Letter of Transmittal from Odyssey, which they will be required to complete and return to Odyssey prior to the Certification Deadline confirming to the Company their status as accredited investors under Rule 501(a) of Regulation D of the U.S. Securities Act. Following receipt of a completed Letter of Transmittal, along with the certificate(s) representing such U.S. Accredited Investor's Debentures, such U.S. Accredited Investor will receive their pro rata share of the New Common Shares and New Unsecured Notes. Such New Common Shares and New Unsecured Notes will be U.S. Restricted Securities.

**Any Beneficial Debentureholders who have not, through their Intermediary, taken the actions referred to in the immediately preceding paragraphs prior to the Certification Deadline, will be deemed to be a U.S. Non-Accredited Investor and, accordingly, will receive Net Cash Proceeds only, if any.**

As such, Beneficial Debentureholders should contact their Intermediary well in advance of the Certification Deadline in order to provide their Intermediary with time to complete the necessary steps.

### **Important Instructions for Other Debtholders**

Debtholders who are not Debentureholders will receive a residency certification form (the "**Residency Certificate**"), pursuant to which such Debtholders will be required to, among other things, certify as to their status as one of (i) a Non-U.S. Debtholder; (ii) a U.S. Accredited Investor; or (iii) a U.S. Non-Accredited Investor. A copy of the Residency Certificate will be available on the Company's profile on SEDAR.

Any such Debtholder who does not submit their completed Residency Certificate to the Depository (as defined in the Residency Certificate) prior to the Certification Deadline, will be deemed to have certified as to their status as a U.S. Non-Accredited Investor and, accordingly, will receive Net Cash Proceeds only, if any.

### **About Nabis Holdings Inc.**

Nabis Holdings is a Canadian investment issuer that invests in high quality cash flowing assets across multiple industries, including real property and all aspects of the U.S. and international cannabis sector. For more information, please visit <https://www.nabisholdings.com/>.

### **Cautionary Statements**

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any

securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The New Unsecured Notes and New Common Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons, except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

Certain statements included herein are forward-looking statements, including statements relating to the timing and impact of the Recapitalization and the Certification Deadline, the ability of the Selling Agent to sell the New Unsecured Notes and New Common Shares and the availability of Net Cash Proceeds, if any. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. These statements are based on certain assumptions, including that each of the parties to the Proposal will satisfy all conditions precedent to the Recapitalization. These forward-looking statements are subject to certain risks and uncertainties, including the risk that all necessary conditions precedent to the Recapitalization will not be satisfied or waived. Important factors that could cause actual results to differ, materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission. The Company has no obligation to update such forward-looking statements except as required by applicable law.

The Canadian Securities Exchange has neither reviewed nor approved the contents of this news release and accepts no responsibility for the adequacy or accuracy of this release.

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